Indo-China co-operation on WTO

2750. SHRIK.M. SAIFULLAH:
SHRI RUMANDLA RAMACHANDRAIAH:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether China is seeking Indian expertise on WTO, to enable it to join the WTO by November, 2001;

(b) if so, whether WTO is crippling domestic farmers and experts have pointed out a need for revision of agriculture policy;

(c) whether India and China have serious reservations about the impact of WTO on agriculture;

(d) whether India is in touch with the countries, who oppose the WTO; and

(e) what steps India is considering in this regard?

THEMLNISTER OF STATE INTHE MINISTRY OFAGRICULTURE (SHRI SHRIPAD YESSO NAIK): (a) No, Sir. However, in the various bilateral meetings between our delegation and the Chinese delegation held in the context of China's accession to WTO, the Chinese side have requested for and have also acknowledged receiving our support for the early accession of China to WTO.

(b) India is a founder member of WTO which came into being on 1.1.1995 as a successor to the General Agreement on Tariffs and Trade 1947 (GATT), of which also India was a founder member. The Agreement on Agriculture (AoA) is one of the Uruguay Round of Agreements which India had signed at Marrakesh in April, 1994. WTO provides predictable rule based multilateral trading system which protects the member countries from pressures of their stronger trading partners. By virtue of being a member of WTO, India is automatically entitled to get the Most Favoured Nation and National Treatment for its exports. WTO also has a strong Dispute Settlement Mechanism to resolve any dispute between members.

(c) Under the Agreement on Agriculture (AoA) India's domestic policy options for agricultural and rural development have not by and larg. been constrained. However, the countries who were not earlier giving export

subsidies during the base period from 1986—1990 are prohibited from giving export subsidies. The developing countries, however, have no reduction commitments during the implementation period for the subsidies given to reduce the cost of marketing, exports including the international and domestic freight and handling cargo. The experience of the implementation of the AoA has brought out a number of issues, which deserve re-balancing and have already been flagged by India in its comprehensive proposals submitted in WTO as a part of the continuing mandated negotiations. The Indian proposals aim at protecting its food and livelihood security and for creating opportunities for the exports of its agricultural surpluses.

In so far as China is concerned, while media reports have mentioned reservations about the adverse impact of WTO agreement on the agriculture sector of China, no official statement about this from the Chinese Government has come to the notice of Government.

(d) and (e)As part of the ongoing negotiations under the WTO Agreement on Agriculture, India alongwith many other developing countries have highlighted the fact that the anticipated benefits of liberalization in agriculture have not materialized for them because of the continuation of trade distorting subsidies by many of the developed countries and have, therefore, demanded substantial reductions in trade distorting domestic support, substantial reductions in tariffs and elimination of export subsidies by the developed countries and sufficient flexibility to the developing countries to take care of these food security and livelihood concerns. In this regard, India besides submitting detailed proposals in the areas of market access, domestic support, export competition and food security, has also co-sponsored two proposals on 'Market Access' and 'Export Credits' alongwith other developing countries. While the proposal on 'Market Access' was co-sponsored by India alongwith Cuba, Dominican Republic, El Salvador, Honduras, Kenya, Nigeria, Pakistan, Sri Lanka, Uganda, Zimbabwe and Haiti, the proposal on Export Credit was co-sponsored alongwith Argentina, Brazil, Paraguay, Uruguay, Bolivia, Chile, Costa Rica, Guatemala and Malaysia. As a part of coalition building with other developing countries and to garner support for our point of view, the Commerce and Industry Minister has written to all the Trade Minister of WTO Members of G-77 group of countries with a view to coordinating our positions in the context of Doha Ministerial Conference.